Brownfields Program Sprouting Progress

restructuring of the Indiana Brownfields Program in 2005 has spurred more green to be pumped into redevelopment projects across the state. Since *BizVoice*® examined the subject in 2004, a state agency adjustment has allowed the program to become more effective and add additional grant opportunities.

The brownfields program provides funding and resources for redeveloping properties that are abandoned "because of the presence or potential presence of a hazardous substance, a contaminant, petroleum or a petroleum product that poses a risk to human health or the environment."

In 2005, an initiative from newly elected Gov. Mitch Daniels transferred management of the program from the Indiana Department of Environmental Management to the Indiana Finance Authority (IFA). IFA "is a quasi-governmental agency and, therefore, has some flexibility in its administration that has helped the program to become more effective," notes Meredith Gramelspacher, assistant director and general counsel for the Indiana Brownfields Program.

The reorganization allowed for the creation of a new grant for remediation of hazardous substances at sites. Restructuring the program's Petroleum Remediation Grant incentive into seven regions with individual environmental consultants also allowed more money to be pumped into the communities than before, Gramelspacher adds.

One local consultant who has worked on brownfield projects in Indiana and other states for several years says the state program has evolved to include well-established processes and communications.

"It's matured to the point where things are going more smoothly," says Andrew Gremos, senior vice president of land services for KERAMIDA. Based in Indianapolis, KERAMIDA is a consulting and engineering firm that provides services locally and worldwide.

Gremos points out that a significant difference, however, in Indiana's program compared to other states is the lower cap for grant money. For example, Ohio's program offers grants up to \$3 million per project compared to Indiana's \$400,000.

The good news is that Indiana is offering more grant opportunities now than in the past, and program administrators are being creative about ways to provide assistance, he says.

Since the brownfields program's inception in 1997, more than \$35 million in grants and loans has been awarded – more than half of that has been distributed in the last four years, data indicates.



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Funding opportunities are critical for these programs to succeed, Gremos asserts.

"That's really where the rubber meets the road. From a commerce perspective, folks really need to have an incentive to locate somewhere (at a brownfield site)," he explains.

He continues: "You need a fair amount of activation energy and money and resources to make that a desirable way to go rather than locating somewhere where you don't have to face those challenges."

Through the state's 2007 fiscal year, the Indiana Brownfields Program classified more than 190 brownfield sites as ready for development, according to the agency.

Quick restoration

A recent Indianapolis success required demolition and restoration at a six-acre site that had housed a variety of manufacturing operations for more than 100 years before closing in 2002. A partnership between the Indianapolis and state brownfield programs, as well as other state and federal agencies, allowed for speedy revitalization of the land.

"We had to work at the speed of business in order for the project to have a possibility for success," notes Chris Harrell, Indianapolis Brownfield Redevelopment Program coordinator.

Major Tool and Machine Company wanted to expand its facility on an urban site, but a quick turnaround was necessary. Delays could have forced the company to move out of state or

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to another city, Harrell explains. Another driver for the project: the site spurred a neighborhood rally in 2006 attended by residents who wanted to see the public nuisance removed.

Work to revitalize the site began in April 2007 when the state Legislature passed a bill allowing the city to gain possession of the property. Remediation of the site finished in October 2007 and included removal and disposal of more than 41,145 gallons of hazardous liquids and 1,355 pounds of other hazardous materials, according to the Indiana Brownfields Program.

The site was turned over to Major Tool more than three weeks before the deadline, and manufacturing in the expanded building will start in October with the addition of 53 jobs, Harrell shares.

He admits the Ertel (the last of the manufacturing companies at the site) project is a shining example and not all brownfield projects see such a speedy turnaround.

"Ertel is different in its nature, but its also an example of what can be done." Critics say brownfield initiatives take too much time, but that's not the case when everyone works together, Harrell stresses.

To view the July/August 2004 *BizVoice*® story on the state brownfields program, go the archives section of www.bizvoicemagazine.com.

INFORMATION LINK

Resource: Meredith Gramelspacher, Indiana Brownfields Program, at www.in.gov/ifa/brownfields

Chris Harrell, Indianapolis Brownfields Redevelopment Program, at www.indygov.org/eGov/City/DMD/ED/Brownfields

Andrew Gremos, KERAMIDA, at www.keramida.com